

en·gauge

TOYOTA
winter 2002

Plug into the Matrix

Maximizing Matrix

Tools for ASMs

Setting the Standard

Center of Success

Everyone Wins

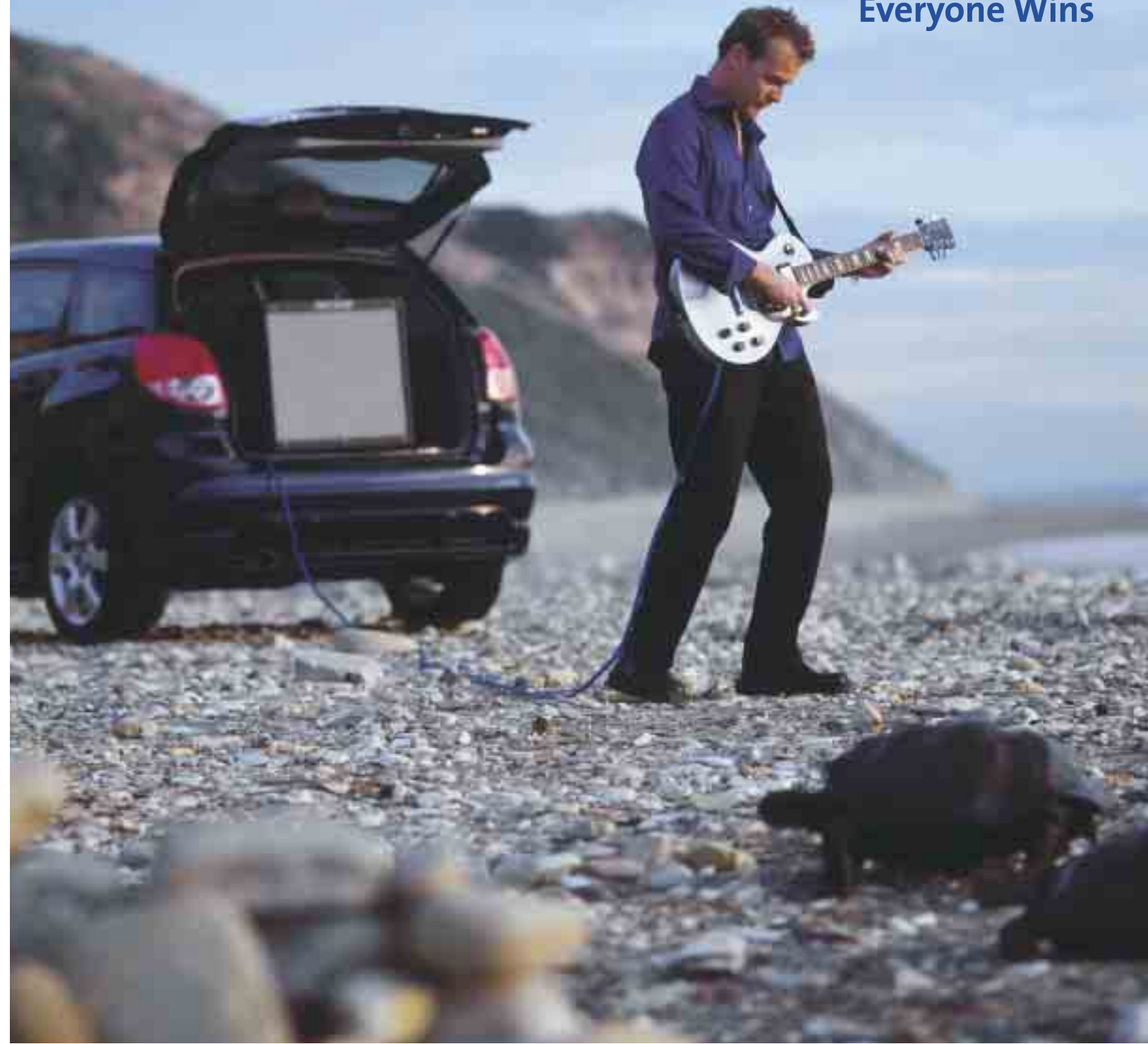


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University of Toyota mission—focus on continuously improving
associate and dealer performance through lifelong learning.

Customer-Focused Lifelong Learning

Each new model introduction opens the door of opportunity for building relationships with a new generation of Toyota customers. Accordingly, the imminent launch of the 2003 Matrix underscores the importance of ensuring that every Toyota associate has the skills to address the many needs of our customers.

A new model launch also points to our University of Toyota mission, which focuses on continuously improving associate and dealer performance through lifelong learning. To achieve this mission, we provide learning that addresses business needs, measures results, supports individual growth and is accessible. The key to each of these learning elements is providing all students with exceptional value for time spent in the classroom. That value is derived from supplying new skills that can be taken back and used at your dealership. These skills improve how you do your job as well as enhance your ability to understand and address the many needs of your customers.

This issue of *en-gauge* features three new one-day ASM courses, each with a distinct customer focus in approaching specific steps of the service process. To ensure this customer focus and meet the distinctive educational needs of ASMs, the courses were developed with input from Toyota customers, dealer associates and field personnel. Each course emphasizes relevant ASM skills such as: interpersonal, organizational/time management, communications and customer-focused selling.

The bottom line is that education provides ASMs with tools that make their job easier to do and more rewarding. Improving the ASM's efficiency and productivity also improves the entire service process, which enhances the customer's experience and increases overall customer satisfaction.

I urge all ASMs to take advantage of these new opportunities to hone your skills and develop your talents. And I encourage every Toyota associate to renew your personal commitment to continued professional growth through lifelong learning. Whether it's improving our skills through a new course or the lessons that can be learned from each new customer who walks through the door, lifelong learning is something we should all be thinking about—and can benefit from on a daily basis.

B. Bergsteinsson

Bryan Bergsteinsson
Group Vice President,
University of Toyota



Bryan Bergsteinsson



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Special thanks
to Gibson Musical
Instruments for
loaning *en-gauge*
magazine
Les Paul Studio guitars
for use in this
edition.



Style. *Space.* Speed.

Spirited sports car performance. Exceptional utility. Compact affordability.

The strengths of many vehicle segments now intersect in a single, strikingly original package that leaps across conventional product categories.

Make room for the all-new personality-packed 2003 Matrix, arriving in dealership showrooms in February 2002.

Extraordinarily versatile, the Matrix aims squarely at the tastes and lifestyles of a diverse group of young—and young-at-heart—buyers.

With a decline in wagons and hatchbacks and the emergence of the SUV, the Matrix reflects distinct market trends in the subcompact segment over the last decade.

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To that end, Toyota's CALTY Design Studio in Newport Beach, California was assigned the challenge of rendering a fresh new take on the basic SUV configuration of "four-doors-and-a-hatch." With a styling theme of "Street-Performance Utility," CALTY produced a no-compromise design that emphasizes sportiness, while maintaining the image and reality of true utility. Designers also capitalized on recent advances in metal stamping techniques to create unique web-like body panels, with detailing that integrates sharp surface edges and rounded contours for strong, flowing character lines.

A joint project with General Motors, the Matrix shares the same basic design concept as the upcoming Pontiac Vibe, Matrix' most recent direct competitor. (The Toyota/GM partnership began in December of 1984 with the jointly established New United Motor Manufacturing, Inc. [NUMMI] in Fremont, California.)

Sporting a wedge shape, backward-sloping roofline and a belt-line that rises from front to rear, the Matrix is distinct from the Vibe with greenhouse glass continuing beyond the C-pillars to the back end.

Distinctive and futuristic, the exterior design of the Matrix projects an unquestionably youthful image. But the visual appeal of

the Matrix is only the beginning. Built for active lifestyles, the Matrix offers standard seating for five and exceptionally versatile utility. The front passenger seat and the second-row seats fold flat to extend storage capability, creating an expansive cargo area. A standard cargo floor sliding track system will let Matrix owners load and unload with ease. Cargo nets are standard too, further maximizing storage versatility. In addition to the adaptability and capacity of an SUV, Matrix also provides the interior space, head room and comfort of a five-passenger vehicle.

POSITIONED TO PLEASE

"Our objective is to build an aggressive position for Matrix as a 'category buster' that's distinguished by three distinctively targeted model grades," says Mary Rose, National Manager, Vehicle Operations Car Group, Toyota

Brimming with interior function and flexibility including a front power outlet—Matrix adapts with ease to owners active lifestyles.

Motor Sales, U.S.A., Inc. "Forty-seven percent of buyers will be young families wanting the affordable utility offered by our standard grade. We anticipate another forty-four percent of buyers to select the more expressive, well-appointed Matrix XR, which targets young couples who lead an active lifestyle and want a vehicle that reflects their personality."

The sportiest of the Matrix models, the XRS grade, is expected to attract a significantly larger percentage of singles and males than the other two grades. With a more spirited, aerodynamic appearance, it features color-keyed front/rear spoilers and side rocker panels, ground-effects styling, and 17-inch wheels and tires. Definitely trendsetting and a head-turner, the XRS is targeted to entice approximately nine percent of Matrix buyers with its fun-to-drive, powerful personality.

Beyond the broad array of emotions, images and personalities presented by the trio of model grades, this versatile vehicle offers buyers even more opportunities to select the Matrix configuration that suits them best. For example, the standard and XR grades will be offered with a choice of either front-or four-wheel drive; and either a five-speed manual or electronically controlled automatic four-speed transmission.

The standard Matrix engine is the 130-horsepower four-cylinder found in the Corolla, featuring Toyota's VVT-i (Variable Valve Timing with intelligence) technology and Ultra Low Emission Vehicle (ULEV) certification. The front-wheel drive Matrix XRS shares the same six-speed manual transmission and VVT-i (Variable Valve Timing and Lift with intelligence) engine that's in the Celica GT-S, producing 180 horsepower at 7,600 rpm and 130 lb.-ft. of torque at 6,800 rpm.

> The Dimensions: 2003 Matrix

Overall Length	171.3 in.
Width	69.5 in.
Height	61.4 in.
Wheelbase	102.4 in.
Head Room (front/rear)	40.6/39.8 in.
Leg Room (front/rear)	41.7/35.4 in.
Shoulder Room (front/rear)	53.2/52.5 in.
Hip Room (front/rear)	51.3/51.7 in.
Interior Volume	118.0 cu. ft.
Cargo Volume	21.8 cu. ft.

FOCUSING ON THE DIFFERENCES

"This is the first time Toyota's offered a car with this much character and fun-to-drive quotient that's affordable for young buyers," says Paul Williamsen, Manager, Toyota Product Curriculum Development, University of Toyota. "There's no other car quite like it. And that's the key to our training: helping associates focus on what's different about Matrix and the people who will buy it.

"A lot of manufacturers are entering the arena with alternative body styles, largely based on the platforms they have available to work on," continues Williamsen. "Matrix rides on a platform similar to the Corolla, which helps ensure the affordability that's key to the Matrix formula for success."

With the most direct competition from the Pontiac Vibe, the lines begin to blur with other cross-category products that offer sport, but compromise utility, or provide outstanding utility, yet compromise style. The Mazda Protegé 5, for instance, rides on a wagon platform and can't compete with Matrix styling. And with its retro look, the Chrysler PT Cruiser has a completely different personality from the fun, futuristic feel of the Matrix. In addition, the Matrix leads the PT Cruiser on cargo area





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volume—and surpasses almost all of its competitors in rear-seat fold-down attributes.

Rated number one in a recent marketing clinic over the Chrysler PT Cruiser, Ford Focus, Volkswagen Golf and Honda CR-V, early reports from consumers indicate these Matrix differences are apparent. There are additional competitors on their way for the 2003 model year as well—including the Honda MAV, Hyundai Mini MPV and the Daewoo Tacuma—but the Matrix is beating them to market and to customers.

“It’s not yet clear which of the cross-category configurations will ultimately win the hearts of customers,” says Williamsen. “What is certain, however, is that the Matrix will attract a tremendous range of people, from recent college graduates, to older consumers who enjoy a younger lifestyle. To ensure Toyota associates are ready, we have the traditional variety of training activities, as well as plenty of up-front information accessible through Dealer Daily, which includes product features, specifications, benefits and key competitors.”

READY, SET...

And dealerships will have plenty to be ready for. Since the Matrix made its first public debut to rave reviews at the January 2001 Detroit Auto Show, a flurry of pre-launch activity was put in motion, beginning with an interactive “micro-site” accessible through Toyota.com or IsThisToyota.com.

“This is a vehicle with broad audience appeal,” says Kevin Higgins, National Truck Advertising Manager, Toyota Motor Sales, U.S.A., Inc. “Although we’ll be primarily targeting the youth market, we’re mindful of not alienating other markets. And the micro-site enables us to cultivate a broad consumer interest.”


Web site activity, according to Higgins, stepped up in October 2001 with a music/video mixer sweepstakes. “We provide Matrix footage and still images, as well as film treatments and lifestyle images for entrants to use in their video production,” he says. “Users can then vote online for the best videos and one lucky winner will receive a brand-new Matrix.”

“The Matrix also establishes a strong Web presence on interactive music-oriented sites,” continues Higgins. “The sites include a virtually seamless interface to our music/video mixer site, helping to increase awareness and capture consumer contact information. Street marketing teams dispatched to locations like concerts, clubs and college campuses further enhance awareness, where we can distribute Matrix information and our Web address. We also ran a high action pre-launch commercial announcing Matrix on 6,000 theater screens across the country, again with a goal of driving people to our Web site.”

In addition, Matrix was the official vehicle for the 2001 Gravity Games in Providence, Rhode Island. This year’s event featured 250 athletes from 17



countries, competing in 16 extreme events including street luge, wakeboarding, downhill skateboarding and freestyle motocross. Toyota’s event presence included on-site access to the Matrix micro-site. Moreover, an edited version of the Matrix theater video was featured on NBC broadcasts of the Gravity Games.

If you happen to pick up a copy of the *Sport Compact Car* magazine this month, you’ll find Matrix—in all its modified splendor—on the cover. This decidedly accessorized Matrix was on display at the fall SEMA (Specialty Equipment Manufacturer’s Association) Convention in Las Vegas, Nevada. Look to the article, “Maximizing Matrix,” for available accessories and features of the Matrix. 

Distinctive and futuristic, the interior and exterior design of the Matrix

projects an unquestionably youthful image.

Maximizing Matrix

Built for active lifestyles, the Matrix is remarkably versatile with many exciting accessory options to choose from. It’s an entirely new breed of vehicle that combines sleek styling with multipurpose functionality and is customizable to individual tastes. In other words, the Matrix is whatever you want it to be.

Attention sales consultants, ASMs and parts specialists: The Matrix’ rear cargo area was specifically designed to accommodate a variety of accessories that complement the active lifestyles of young Matrix buyers. Take a look!

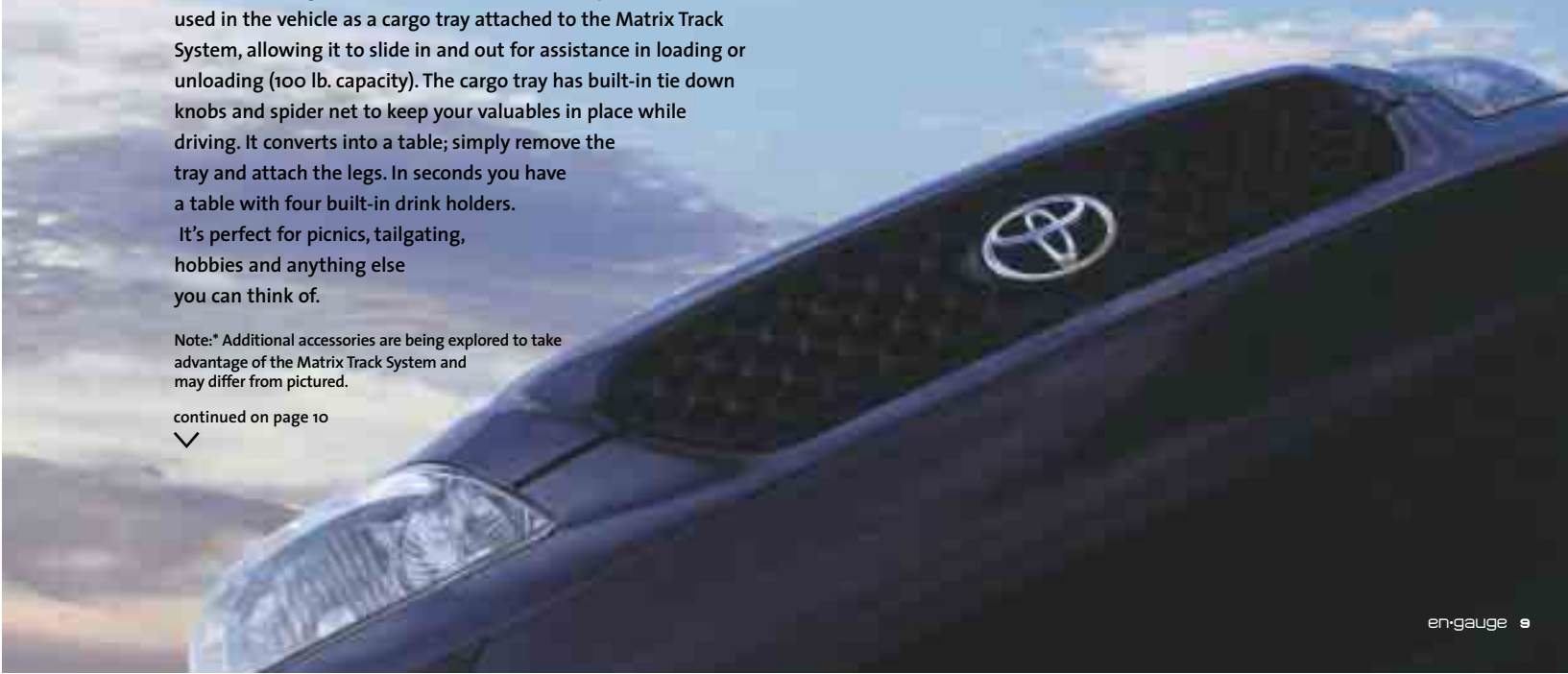
THE MATRIX TRACK SYSTEM

The new Track System was developed especially for the Matrix and offers a wide array of opportunities for accessorizing. Special tracks span the floor of the cargo area and travel up the back of the rear seats. When the rear seats are folded flat, the tracks are also flat, maximizing the vehicle’s cargo area and utility. Tie-down knobs ease the transition from one accessory configuration to another. Available accessories include:

- **Cargo Net.** Don’t you hate it when your stuff rolls around while you’re driving? The Cargo Net is your answer—it’s easy to install and even easier to use.
- **Rear Seat Storage Bag with First Aid Kit.** Saddlebag storage pockets attach to the back of the rear seats. One side comes with a Toyota first aid kit. The other large pocket provides additional storage. It attaches to the Matrix Track System for ease of installation.
- **Pet Screen.*** Perfect for those days when you want to keep Fido in his seat, this screen attaches to the Matrix Track System for easy installation.
- **Removable Tailgate Table.*** This multifunctional platform can be used in the vehicle as a cargo tray attached to the Matrix Track System, allowing it to slide in and out for assistance in loading or unloading (100 lb. capacity). The cargo tray has built-in tie down knobs and spider net to keep your valuables in place while driving. It converts into a table; simply remove the tray and attach the legs. In seconds you have a table with four built-in drink holders. It’s perfect for picnics, tailgating, hobbies and anything else you can think of.

Note: * Additional accessories are being explored to take advantage of the Matrix Track System and may differ from pictured.

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>Additional Accessory Enhancements

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> An **Ashtray** is available as a dealer-installed accessory for customers who want the convenience of a built-in ashtray that complements the dash.

The **Auto-Dimming Mirror** helps regulate the effect of oncoming lights from the rear to enhance driving comfort, safety and convenience. In addition to the auto-dimming feature, the mirror displays the outside temperature digitally.

Both **Carpeted** and **All-Weather Floor Mats** featuring the Matrix logo help protect the original carpeting. The Carpeted Mats are color-coordinated and have an aggressive “nib” underside and internal stiffeners for optimum durability. The rugged All-Weather Mats, constructed of heavy-gauge rubber, are designed for owners who work hard and play hard. The deep rib-molded configuration helps trap mud, snow, sand and dirt, and the non-skid backing with positive retention clip helps prevent the mat from slipping.

Front-End Masks provide a sporty look and help protect the vehicle's finish from chips, scratches and minor road debris. Distinguished with the Toyota logo, Front-End Masks are constructed of top-grade leather-grain vinyl and have a soft backing to retain a smooth, wrinkle-free fit.

Heavy-duty and dirt-blocking **Mudguards** help protect rocker, door and quarter panels from splatters, as well as damage from road debris. Durable, resilient molded rubber construction helps retain shape for lasting good looks and vehicle protection.

A **Rear Bumper Protector** helps prevent the bumper from nicks and scratches when loading and unloading cargo at the hatch area.

For increased security, the **Vehicle Intrusion Protection (VIP) RS3200 Security System** is full-featured and affordable, offering peace of mind and added convenience. With the immediate sounding of the horn, the system discourages intruders in the attempt of forced entry. The remote transmitter provides effortless keyless operation by arming/disarming the system, door locking/unlocking, a Glass Breakage Sensor (GBS), a trunk release, a starter disabler and more. (The RS3200 Plus is available when the factory remote keyless entry system is already installed.)

Wheel Locks help discourage theft of alloy or steel wheels. They feature a channel/cut lock pattern and matching key. In

addition, they're weight-balanced and specially designed for the vehicle. Their hardened steel construction features no moving parts and triple nickel-chrome plating. Ⓢ



Shown above: Carpeted Floor Mats. Below: Yakima® Roof Rack.



A simulation using Lego trucks and toy parts helps to illustrate time management decisions and how these decisions will affect the day.

ASM Tools

The ASM's “To Do” list is, without a doubt, an awesome one. Everything from taking care of a long line of waiting customers early in the morning to exceeding each one of those customers' expectations in the afternoon is the responsibility of the ASM.

To make their job easier, the University of Toyota has recently developed three new courses designed specifically to help ASMs complete all their tasks and exceed the expectations of both their management and their customers.

“In addition to a multitude of daily tasks, an ASM must also meet the ever-increasing requests of their customers,” says Sharon Whitson, Fixed Operations Curricula Development Senior

Administrator, University of Toyota, Toyota Motor Sales, U.S.A., Inc., Torrance, CA. “These new courses are specifically tailored for the ASM, with each course focusing on a particular aspect of the ASM's job.



Using a game board with the option of following two different paths demonstrates that foreseeing possible obstacles at the beginning of the day will help prepare you to make good time management choices and decisions.

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“Developed after a comprehensive assessment, these courses were done to find out exactly where an educational course could assist ASMs in improving their job performance,” continues Whitson. “We reviewed the results of a survey conducted by an outside company that showed where associates felt education would help them improve skills. We also considered customer feedback obtained through J.D. Power and Associates. For example, customers stressed the need for more detailed explanations about the work that needed to be done on their vehicle as well as a more efficient vehicle delivery process.



“Additionally,” says Whitson, “we conducted focus groups with Toyota technicians, the primary users of repair orders, to learn more about what they needed from ASMs in order to repair the vehicle right the first time. All of this information helped the Curricula Development group create these three targeted courses.”

Perhaps the most dramatic insights, however, came straight from the ASMs who have already attended the first course in the series, “ASMs in the Service Process.”

“It was one of the best courses I’ve ever attended,” says Rick Freeman, ASM at Adams Toyota in Kansas City, Missouri. “It wasn’t just a day

of sitting and listening. Instead, it was fast-moving and interactive. As an ASM you move around all the time, so it doesn’t suit us to just sit in a classroom all day. Plus, our facilitator was previously an ASM, so he knew what it was like to be in our shoes.

“After many years of doing the same thing, you tend to make automatic assumptions about what a customer is trying to say,” continues Freeman. “So the role-playing in this course was a great wake-up call to take a step back and really listen to what the customer

wants and needs from you.”

Throughout the day, class participants took turns playing the ASM and the customer, at times taking a somewhat fiendish enjoyment in withholding information about “their vehicle” until asked specifically by the ASM. “That really made us think about the details from the customer’s point of view,” says Zorrie Cope, ASM at Eddy’s Toyota

in Wichita, Kansas. “And it definitely gave me a broader perspective of my role, while reinforcing all the basics you



can lose sight of during the course of a day.”

Does that mean “ASMs in the Service Process” is too basic to be worthwhile for an experienced ASM?

“Unequivocally not,” says Mike Goldenberg, ASM at Reliable Toyota in Springfield, Missouri. “I’ve been here for three years and found the class an eye-opener that inspires you to see the customer’s side of the whole process. Regardless of tenure, you gain a completely new perspective on communicating with your customers as well as the rest of the dealership team. It’s an awesome course that I recommend for every ASM and I’m looking forward to attending the next two in the series.”

With more customer contact than any other dealership position, ASMs need specialized tools to communicate more effectively, ensure customer satisfaction,

enhance sales and maximize their time throughout the day. The University of Toyota has created this exciting new series of courses to ensure every ASM is well-

equipped to enjoy the rewards of long-term customer relationships and lifelong learning.🔗



New ASM Courses at a Glance

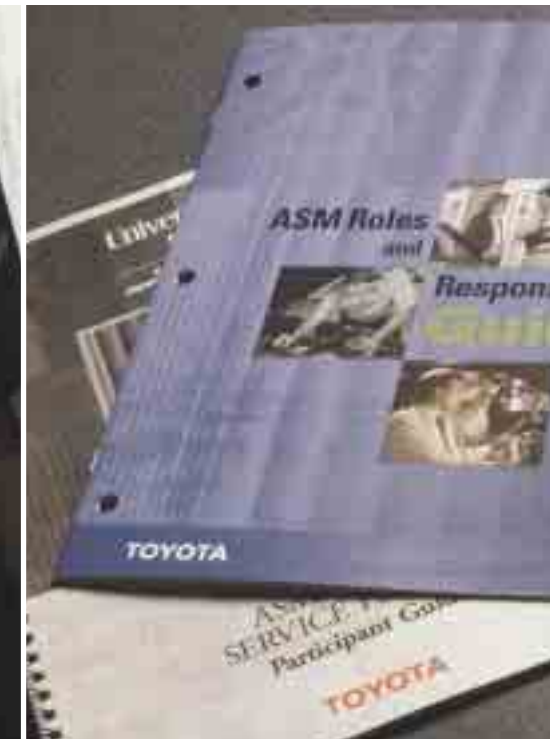
To provide maximum flexibility in scheduling, each of the following three new courses has been designed for independent delivery, none assuming the others as prerequisites. For more information, check with your District Service and Parts Manager or regional office.



Course I: ASMs in the Service Process

This course is an overview of the 7-step service process. Through activity-based, small-group role-plays, ASMs interact throughout the day and practice these skills:

- [1] Writing repair orders that meet the needs of the customer and technician
- [2] Managing multiple customers
- [3] Explaining repairs and their cost to the customer, ensuring the customer clearly understands the service provided
- [4] Communicating effectively with customers and internal team members



Course II: Managing your Workday

This course focuses on the ASM’s time-related challenges. It offers unique hands-on, group decision-making activities which parallel the daily time management challenges of the ASM at each step in the service process, such as:

- [1] Tracking appointments and vehicle status throughout the day using a production schedule
- [2] Pre-planning and prioritizing each day’s activities at the end of the previous workday
- [3] Dispatching work based on latest start time
- [4] Monitoring work in progress in order to secure customer authorizations and meet promise times



Course III: Customer Focused Service Sales

This course focuses on selling in a consultative way to help meet the needs of the individual customer and increase sales. The students will participate in a variety of role-play activities and practice customer-focused selling skills by:

- [1] Identifying appropriate sales opportunities at each stage in the service process
- [2] Using the LACE communication technique to understand customer needs
- [3] Learning to effectively use the Toyota maintenance schedule, dealer service menus and vehicle history files to identify maintenance needs
- [4] Following up after service to ensure customer satisfaction while also reminding customers of maintenance recommendations

Setting the Standard

Simple Steps for Big Results

Consumers form impressions when they visit a business establishment. They notice the “big” things—the way they’re treated, the merchandise and the prices. But they also notice “smaller” things, like the appearance of personnel and the attention to neatness and care. Yet, these smaller things aren’t small; they can have a significant impact on customers’ perceptions.

This is particularly true in the automotive industry where customers are entrusting perhaps their most prized possession to a dealership for service and parts.

Customers want absolute professionalism from the people serving and performing the work for them. Here are three easy ways to instill confidence and brand recognition to help keep your service and parts customers coming back to your dealership.

DRESSED FOR SUCCESS

Staff uniforms communicate the professional, positive image Toyota customers expect. They’re available from two sources, both of which build brand identity and customer trust:

Red Kap Industries manufactures Image USA Uniforms for sale to rental laundries nationwide. These laundries make the uniforms available for rental or purchase by Toyota dealers. The garments are intended for use by all service and parts management and staff.

To order, contact your local rental laundry service. The Toyota Uniform Program brochure is available from the Material Distribution Center (M/N 00405-20134-96) and features photos of many of the garments.

Automotive Marketing Associates produces selected items for purchase by Toyota dealers, including ties, belts, slacks, ASM jackets, and dress and polo shirts.

To purchase, contact Automotive Marketing Associates at 1-888-242-7636.

Technician Shirts and Pants

ASM Shirts and Pants

Dressed for Success

To purchase dress for success clothing, contact Automotive Marketing Associates at 1-888-242-7636.

Interior Protection Products

Items such as steering wheel covers, merchandise bags and seat protectors can be purchased from Plactical Industries at 1-800-527-6283.



SAFEGUARDS FOR SATISFACTION

Using vehicle protection products during service work increases customer satisfaction and retention. Toyota Interior Protection Products (TIPP) are designed to protect vehicles from accidental spills and scrapes, as well as tracking in dirt and even leaving fingerprints. Imprinted with the Toyota logo, these products also enhance brand identity, something clear plastic articles can’t provide. Seat protectors, floor mats, steering wheel covers, Toyota parts bags for use in your retail parts center, and more are available.

The products and a descriptive brochure are available from Plactical Industries at 1-800-527-6283.

COMPREHENSIVE VEHICLE INSPECTIONS

Another excellent way to instill trust and customer retention is to conduct service clinics and use the Toyota Quality Inspection Form, available from the MDC (M/N 00422-quali-inspe). This handy tool makes it easy for ASMs and technicians to deliver consistent Toyota service quality.

Distinguish yourself from aftermarket outlets that may not have a cohesive look and image.



>Dealer Daily, Parts and Service Marketing Directory

For more information, visit Dealer Daily, Parts and Service Marketing Directory. You’ll find descriptions of all programs available to dealers to increase sales, profitability, and customer satisfaction and retention.

DISTINGUISH YOURSELF

These products are proven opportunities to enhance customer satisfaction and retention as well as brand recognition. Distinguish yourself from aftermarket outlets that may not have a cohesive look and image. Take these simple steps to impress your customers now! 📞

THE “TOYOTA THANKS YOU” EVENT AIDS IN DEVELOPING DEALERSHIP AND CUSTOMER RELATIONSHIPS BY EDUCATING THE DEALERSHIP AND CUSTOMERS ALIKE.



You’re **Invited** to...
...increase service and parts business, boost repeat and referral vehicle sales, build customer loyalty, improve overall profitability and distinguish your dealership presence in the community.

WE’LL SHOW YOU HOW!

The “Toyota Thanks You” Event is a program dedicated to informing, engaging, acknowledging and thanking each customer for buying a Toyota. The objective is to ensure and maintain customer loyalty so new and Toyota Certified Used vehicle

buyers will continue returning to your dealership for all their automotive accessories, services and repairs. To introduce dealers to this program, Toyota has created a comprehensive event kit that includes: an event planner with fully-scripted presentations and visual aids that dealers can customize to their markets. Customer invitations and monthly Web-based reports are part of the base program. Toyota further supports dealers by mail-

ing invitations to owners of new and Toyota Certified Used Vehicles. The 90-minute program contains four components:

- **Great Service** covers Toyota’s superb warranty coverage and vehicle maintenance and service requirements.
- **Competitive Prices** advocates the value your dealership embodies by comparing services and prices with local competitors.
- **Toyota Quality** demon-

strates reasons why customers should choose the quality, fit and finish of Genuine Toyota Parts over aftermarket parts and offer a tour of the Toyota Parts Center, if applicable.

- **Helpful People** emphasizes the ability and experience the service department and technical staff have through service demonstrations on actual vehicles.

THE RESULTS ARE IN:

From a national standpoint, event data yields impressive statistics. First-year event totals resulted in 84.4% of Toyota new-owner event attendees visiting the dealership at least once as compared to 56.4% of non-attendees. Second-year results were 94.6% of Toyota


new-owner event attendees visiting the dealership at least once versus 71.5% of non-attendees. At the dealership level, these statistics are transformed into tangible, rewarding experiences that welcome new owners into the Toyota family and build customer loyalty.

Michelle Drapeau, Toyota Events and Recognition Manager, Toyota Motor Sales, U.S.A., explains: “For customers, the event makes it clear that the dealership remains committed to them even after the sale. For dealers, it’s an opportunity to tell customers, ‘Thank you for your business,’ and to create a foundation for a trusting relationship that will encourage new owners to return.”

WHAT ARE YOU WAITING FOR?

The distinction between other car dealerships and a Toyota dealership is not only the unsurpassed caliber of quality, value and innovation in

each product sold; it is also the dedicated employees committed to dealership excellence. The “Toyota Thanks You” Event aids in developing dealership and customer relationships by educating the dealership and customers alike. So if you are eager to increase profits and repeat customer business, look no further. The “Toyota Thanks You” Event does just that!

Interested? Please enroll online today on the www.toyotanewownerevent.com website or via Dealer Daily, www.dealerdaily.toyota.com. Click on “News and Information,” then click on “Web Sites” under the “New Vehicles” tab located at the top of the screen or call Program Headquarters at 1-800-783-2021. 



> Testimonials

“We’ve had new car care clinics here for about twelve years, but the ‘Toyota Thanks You’ program has definitely elevated our presentation to a higher level. We use all the materials—from invitations, signage and posters, to name tags, tracking reports and the opening video. Customers are definitely impressed with the presentation and always learn something new.”

Theresa Keenan Male
Customer Relations Manager, Metro Toyota,
Cleveland, Ohio

“This program is extremely user-friendly and can be easily modified to suit individual dealership personalities. We’ve been using the program since we opened a year ago and it’s an excellent way to build customer loyalty. We strive for the cozy small-town garage, independent shop atmosphere. This is a tremendous venue for actually demonstrating that to our customers.”

Ed Meyers
Parts and Service Director, Tracy Toyota,
Tracy, California

“We recognize this program’s value to our guests and appreciate the support that Toyota provides. This event gives a large dealership like Longo Toyota a small-store feel and enables one-to-one interaction between our managers and our guests. The event is a lively, informative and fun experience that demonstrates Longo’s and Toyota’s commitment to build lifetime relationships with Toyota owners.”

Tom Rudnai
Vice President and General Manager, Longo Toyota,
El Monte, California

“Many dealerships want to invite new owners back, but may feel the administration is too much work or the presentation aspect too difficult. The ‘Toyota Thanks You’ program does it all for you in a highly professional manner that turns every new-owner event into a special occasion. In fact, once a dealer signs up for the program, all they have to do is get the tables and chairs, make sure someone orders the food and decide who’s going to talk about what. Moreover, the kit itself is a great value. For example, compared to what you could get with other direct mail companies, invitations are mailed first-class with a professional appearance at a low cost. And the dealership is provided invitation lists by salesperson to facilitate follow-up. You couldn’t find this kind of value anywhere else.”

Jamie Fox
Cincinnati Region Service and Parts Business
Development Consultant, Cincinnati, Ohio

Event Kit Includes:

An event planner with fully-scripted presentations and visual aids that dealers can customize to their markets. Customer invitations and monthly Web-based reports are part of the base program. Toyota further supports dealers by mailing invitations to owners of new and Toyota Certified Used Vehicles.





Body Shop Bonanza

Taking care of Toyota collision repair customers

New program builds pipeline to skilled entry-level employees

Faced with a serious shortage of skilled entry-level collision repair technicians, many Toyota dealerships are turning to a new source to meet their staffing needs. The first graduates of an innovative program between Toyota and the Universal Technical Institute (UTI) recently started careers at several Toyota Certified Collision Centers after a 51-week training course.

The Toyota/UTI Collision Repair Technician Training Program features a comprehensive curriculum at the state-of-the-art Houston campus. Graduates complete a series of 16 I-CAR courses in addition to Toyota-specific classes.

"We're very excited about our partnership with UTI," says Rick Lester, Dealer Fixed Operations

Personnel Development Manager for T-TEN. "It represents a major step forward in meeting the need for highly skilled and highly trained technicians for Toyota and Lexus dealerships in the collision repair industry."

UTI, which has produced skilled automotive graduates since 1965, collaborates with nine auto manufacturers at 22 campuses and facilities across the country. To attract high-quality candidates, UTI representatives recruit students from more than 8,000 high schools in the U.S. including Alaska and Puerto Rico.

UTI's Toyota collision repair training takes place in a recently upgraded 60,000-square-foot facility. Students earn Automotive Service Excellence (ASE)

>Reaching Out to High Schools

While the UTI/Toyota Collision Repair Technician Training Program targets high school graduates, Toyota is also collaborating with high schools to deepen the pool of entry-level employees. As part of the Automotive Youth Educational System (AYES), Toyota is encouraging bright students to pursue careers in automotive technology. The program provides a framework for dealerships to work with local schools and students in a collaborative setting. For more information, visit www.ayes.org to see how your dealership can begin tapping the next generation of technicians today.

certification in Damage Analysis and Estimating. They also are ASE-certified in the following areas:

- [1] Paint and Refinishing
- [2] Non-Structural Analysis and Damage Repair
- [3] Structural Analysis and Damage Repair
- [4] Mechanical and Electrical Components

FIVE YEARS IN ONE

The program is intended to provide benefits to both participants and to the dealerships that hire them.

Graduates start their career armed with a solid and practical education. "It is estimated that in the one year students are at UTI, they gain what it would take them five years to learn if they were simply working in the field," according to Rick Jazwin, Director of Industry Development, UTI. Students will receive training in Toyota-specific courses and work on Toyota vehicles using Toyota-approved equipment. All instructors teaching Toyota courses are ASE-certified in the specialty they teach. In addition, instructors teaching Toyota-specific courses have successfully completed training at one of Toyota's training centers.




For their part, dealerships get the opportunity to hire skilled employees who have completed a comprehensive curriculum and are I-CAR and Toyota-certified. In addition, dealerships can use hired I-CAR-certified graduates toward their I-CAR Gold Class rating.

Although training is provided at UTI's Houston campus, participating students seek employment in a variety of markets throughout the United States. Toyota funneled

the program's initial graduates to participating Toyota Certified Collision Centers. This pipeline of excellent employment candidates provides another compelling reason for dealership collision repair facilities to become certified.

If your collision repair center is not yet certified, now's the time to get started. If it is already a Toyota Certified Collision Center, the UTI/Toyota partnership provides an excellent opportunity to solve your staffing needs. To get more information on the Toyota Certified Collision Center program, please call (310) 974-5553.

For information about hiring a UTI graduate, contact Steve Sweet, Toyota Technical Education Network Field Operations Supervisor at (310) 974-5551. 



>Certified Success—How to Boost Sales and Profits

Interested in a proven strategy that will make your dealership's collision repair shop more efficient, profitable and customer-friendly? Make it a Toyota Certified Collision Center.

Access to promising entry-level graduates through the UTI/Toyota program is just one of certification's many benefits. Results from centers after certification show several other tangible advantages, including:

Increased labor and parts sales and profits: Labor gross profits jumped an average of 8.6% while parts gross profits rose 8.3% at certified centers.

Enhanced body shop financial performance: Paint and materials gross profits increased 15.2% while overall net profits soared 27.5% at certified centers.

More customer satisfaction: Customers rated quality of service and repairs higher and were 10.4% more likely to recommend the center after certification.

The Toyota Certified Collision Center designation increases a shop's chance to capture business that otherwise would go elsewhere. It also increases customer confidence in repairs due to consumer recognition that certification ensures a commitment to excellence.

Toyota certification begins with a two-day on-site evaluation and consultation followed by a detailed financial and operational business analysis as well as a review of management practices, production procedures and marketing strategies. Certification also includes:

- Customized vendor support focused on your shop's needs

- National marketing exposure to major insurance companies
- Regional roundtable meetings and workshops
- Detailed monthly report of key body shop indicators
- Eligibility for co-op body shop advertising
- Follow-up on-site visits by Toyota consultants
- Toyota Certified Collision Center signage and marketing materials
- Monthly CSI tracking and reporting
- Eligibility for Toyota Production System installation and licensing
- To get the certification process rolling, call (310) 974-5553.




Earning Lifetime Loyalty

Survey points to several opportunities for improvement

Toyota service customers say dealerships do many things well. That’s the good news; however, there are several areas that still need to be improved, according to a recent survey. Customers waiting too long to be served and ASMs failing to properly explain repairs are examples of two critical concerns that carry major implications for Toyota service departments. Customers’ satisfaction with service departments has a strong impact on their future intention to purchase or lease vehicles of the same make from the same dealer. Overall, Toyota dealerships fared well in the 2001 J.D. Power and

Associates Customer Satisfaction Index (CSI) Study. Toyota’s rank improved five positions over last year, up to 19th place overall in 2001. But the study revealed several opportunities for dealership improvement. While maintenance scores climbed, Toyota’s repair index results dropped mainly due to customer perceptions about dealership user friendliness and service quality. Many customers also cited disappointment with the service initiation process. The J.D. Power survey provides only a snapshot of Toyota dealerships, but the results are worth studying by individual service departments.

Determining whether the areas of concern apply to your dealership—and taking steps to rectify them when they do—is the key to earning lifetime customer loyalty. A proactive approach to consumer concerns will increase customer satisfaction and ultimately boost dealership profitability. With a growing number of Toyotas on the road, dealership service departments will enjoy increasing demand in coming years. Taking a hard look at your department through your customers’ eyes will allow you to meet that demand while providing the satisfaction your customers deserve. 

“Take action today to earn your customers’ lifetime loyalty!”
— Toyota Customer Services Strategic Planning Department

Opportunities

The study revealed several opportunities for dealership improvement. What exactly are the issues requiring attention in each of these categories? And what should you be reviewing in your dealership?

<div>User Friendliness</div> <p>In addition to dealership personnel friendliness, this category includes whether dealerships show consideration for customer time. It also covers fairness of charges and whether dealerships value their customers. A dealership’s respect for customers’ time and appreciation for their business are not taken for granted by today’s customers. They want to see and hear it from the dealership throughout the service process.</p>	<div>Service Initiation</div> <p>This covers the amount of time customers spend waiting to speak to someone and whether dealership personnel see customers within a reasonable amount of time upon arrival. Imagine today’s hurried and time-constrained Toyota customer anxiously tapping her foot waiting to talk to an ASM.</p>	<div>Service Quality</div> <p>This includes the thoroughness dealerships show in filling customer requests along with the availability of parts for service. The old rule of “under-promise and over-deliver” applies here.</p>	<div>Service Advisor</div> <p>This crucial part of the customer experience highlights whether ASMs treat customers with courtesy and respect. Did the dealership fulfill all commitments made to customers? Customers also raised questions on how well ASMs clarified customer needs and whether they advised customers about their service needs.</p>	<div>In-Dealership Experience</div> <p>This category covers dealership comfort and amenities and how they affect how well dealerships enable customers to spend time while vehicles are serviced. Good customer interface is crucial, but what about your waiting rooms? What do they say about how highly you value your customers’ time and business?</p>
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Solutions

Dealerships can address these issues by taking a hard look at important areas of their operations. The three key areas for CSI improvement are:

<div>ASM Handling Skills</div> <p>As the most visible members of service departments, ASMs hold the keys to customer satisfaction. Successful ASMs treat customers with respect, fulfill commitments and clearly address customer concerns and questions. Extensive ongoing training is available to help ASMs perfect customer-handling skills through the University of Toyota, including a series of new ASM courses. In addition, Toyota continues to encourage dealerships to emphasize the importance of ASM certification.</p>	<div>Overall Service Capacity and Staffing</div> <p>Many customers expressed concerns regarding staffing problems due to excessive time spent waiting to speak to an ASM or failure to deliver vehicles in a timely manner. In general, the recommended ratio of ASMs to daily repair orders ranges from 1:18 to 1:20. Forms to help you assess your staffing are available in the <i>Service & Parts Operations Guide</i>. Another issue was the layout or signage at service departments. Clearly marked lanes and clear signs directing customers through your department can help customers contact ASMs quicker.</p>	<div>Dealership Operating Procedures</div> <p>Being unable to receive service department attention in a reasonable time or problems with vehicle cleanliness at point of delivery both suggest a need to review dealership procedures. Many dealerships have enjoyed success implementing and refining appointment systems to control the flow of customers and to maximize the time customers have with ASMs. <i>The Service & Parts Operations Guide</i> provides a wide array of recommendations on implementing a good appointment system. A proper delivery system can increase customer satisfaction by ensuring that customers understand the work performed and receive an explanation about all parts and labor charges on their completed repair orders.</p>
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WHEN TOYOTA INTRODUCES AN IMPORTANT NEW VEHICLE, 10 CUSTOMER RELATIONS REPRESENTATIVES ARE SELECTED TO PARTICIPATE IN A WALK-AROUND COMPETITION. ASSOCIATES COMPLETE INTENSE PRODUCT KNOWLEDGE TRAINING, STUDY ALL THE SPECIFICATIONS AND WORK WITH PRODUCT SPECIALISTS TO LEARN ABOUT NEW TECHNOLOGIES.

Everyone Wins

A Walk-around Competition for the Toyota Customer Assistant Center

When a car as popular as the Camry undergoes a complete transformation and launches with the most extensive, fully integrated marketing effort in automotive history, consumers have questions. Many questions. Searching the Internet for information is increasingly common, yet too impersonal for some customers. Others prefer visiting a Toyota dealership and having questions personally answered by a sales associate. Another option is the Customer Assistance Center (CAC) at Toyota Motor Sales, U.S.A., Inc., Torrance, CA. The CAC has skilled customer relations representatives ready to answer questions, explain features, discuss

ride quality—and direct consumers to their nearest Toyota dealership for a test-drive. “Whenever Toyota introduces an important new vehicle, we select 10 customer relations representatives—one from each team—to participate in a walk-around competition,” says Cynthia Farrington, Customer Relations Team Leader. “Associates complete intense product knowledge training, study all the specifications and work with our product specialists to learn about new technologies such as Variable Valve Timing with intelligence (VVT-i).” Most recently, the extensive training culminated in the 2002 Camry Walk-around Competition. Performed for a panel of

judges, representatives completed 20-minute sales presentations which were graded on content, questions asked and how well the vehicle was detailed, including appropriate trim level for the customer’s needs. Contestants were specifically recruited for their intimate knowledge of the vehicle. Serving as judges for the 2002 Camry Walk-around Competition held on the TMS campus were experts from the Vehicle Operations Group, Public Relations, the University of Toyota and Product Planning. In the audience were non-competing Customer Relations Representatives on hand to support their teammates as they showcased their sales techniques.

“Being in the spotlight was definitely a big change from talking to customers over the phone,” says Jennifer Harb, Customer Relations Representative, who captured first-place. “It was a great experience that will make taking calls about the new Camry easy, because I won’t have to run to pull information from our technical resources. I know the specifications. I can use Toyota’s six-point walk-around format to explain the interior and exterior dynamics. Plus, I can relate my own experiences from driving the Camry and the features that are my personal favorites, which will help drive customers to the dealerships.”

Like her fellow contestants, Harb says she concentrated on the IANA™ (Identification, Assessment, Negotiation and Action) skills that all Customer Relations Representatives constantly use in order to gather information from customers. For purposes of the competition, IANA enabled the presenters to identify the demographics of their “customer” in order to sell the most appropriate of the 2002 Camry’s three model grades.

“My ‘customer’ was a young, upwardly mobile professional woman,” says second-place winner Elizabeth Galindo, Customer Relations Representative. “I probed to identify that she was looking for something youthful and sporty. At the same time, my customer wanted a car to transport her clients comfortably and safely, so I highlighted the fea-

tures and benefits of the new SE grade. Plus, I explained Toyota’s quality and safety focus.

“It definitely put the sales associate’s job in perspective,” continues Galindo. “Being able to call up all the information and selling the right features to the right person isn’t easy. I also feel very proud to work for Toyota where the technical people and engineers work so hard to provide what the customer wants.”

Third-place winner, Susan Farr, Customer Relations Representative, agrees: “I was impressed with the off-switch for the Daytime Running Lights. Prior models, which did not offer the flexibility of turning off the Daytime Running Lights, were found to irritate our customers for some time. Another excellent selling feature for my ‘customer’ was the multi-stage deployment air bag. She was short in stature, so I explained how the multi-stage deployment offered her better protection.

“The competition was a little nerve-racking because I had never sold a car before or given a presentation that was videotaped,” says Farr. “But I just concentrated on finding out what my customer was looking for, then mentally shuffled through all the information I’d learned to emphasize what would best sell her on the Camry. I especially felt it was important to provide the type of information she couldn’t find in the brochure or on the Internet.

“The great thing about these events,” Farr continues, “is how it improves our ability to

>Six Points

Contestants highlighted the Camry’s numerous attributes using Toyota’s six-point walk-around, including: Left Front—styling, aerodynamics and safety; Front—engine/drivetrain, ease of maintenance and warranty; Right Side—steering/suspension, body construction and passenger entry; Rear—styling, trunk capacity and convenience; Left Side—tires/wheels, brakes and fuel capacity/ratings; Interior—comfort, layout and equipment.



>The Contestants



Elizabeth Galindo, Customer Relations Representative, explains maintenance and warranty to her “customer.”



Susan Farr, Customer Relations Representative, discusses the Camry’s sophisticated powertrain.



Jennifer Harb, Customer Relations Representative, showcases the many conveniences of the Camry trunk.

Center of Success

Giant new parts facility keys distribution improvements

IT'S AS BIG AS 18 FOOTBALL FIELDS AND COULD PROVIDE PARKING FOR 8,700 CAMRYS. BUT THIS IS NO PARKING LOT. INSTEAD, IT'S THE NORTH AMERICAN PARTS CENTER, KENTUCKY (NAPCK), WHICH WAS CREATED TO SPEED DELIVERIES OF NORTH AMERICAN-PRODUCED PARTS TO DEALERSHIPS WHILE BECOMING A CRUCIAL DISTRIBUTION POINT FOR TOYOTA'S WORLDWIDE EFFORTS.

Fully operational as of September 2001, the mammoth \$65 million parts facility offers some impressive statistics: The 843,000-square-foot center is Toyota's largest parts procurement and distribution facility under one roof. It houses 25,000 part numbers and has three million pieces in stock worth \$45 million. The warehouse is capable of receiving or shipping one pallet load of parts every 30 seconds, which translates into 30 truckloads of parts per day. But the real promise of NAPCK extends well beyond the numbers. The location was cre-

ated to better serve the national network of Toyota and Lexus dealerships and, ultimately, to improve customer satisfaction. The parts center breaks down huge orders before shipping pieces to 20 regional centers that directly serve dealerships, improving both the efficiency and speed of parts movements. Already, the center is achieving its desired effect as the fill rate for North American-sourced parts has jumped. Before the site's opening, 15 percent of line items needed to be back-ordered. Today, that proportion has been sliced to five percent.



At the dealership level, that means repairs happen quicker, cars return to service sooner and customers feel more satisfied with the service experience. The site was built to accommodate Toyota's growing commitment and presence in the North American market. As Toyota's North American manufacturing capacity grows, the amount of parts purchased from U.S. suppliers also increases. The new facility receives, inspects and stocks parts from 375 North American suppliers as

well as from Toyota's Georgetown, Kentucky plant which produces Avalons, Siennas and Camrys. The parts range from small nuts and bolts to fenders, bumpers and engines. Most suppliers feeding parts to the Hebron, Kentucky location are located in the Midwest or on the East Coast. NAPCK's sister facility, the North American Parts Center, California (NAPCC) will continue to be the primary distribution center for parts produced on the West Coast and imported from Japan. Together, the two plants represent one third of a three-pole international distribution center system. Similar locations in Nagoya, Japan and Brussels, Belgium comprise the remainder of Toyota's worldwide parts distribution framework. The North American Parts Operations (NAPO) group, which was created in 1993 to improve parts-sourcing capabilities and to establish efficient parts distribution on this continent, oversees the two American centers. The new Kentucky site replaces a much smaller cross-docking facility in Perrysburg, Ohio. While most of the new center's parts are sent to 13 distribution centers located in the continental United States and Canada, many parts also are shipped overseas. Material is routed to parts distribution centers in Hawaii, Puerto Rico, Guam, Saipan and American Samoa. The facility also ships parts to facilities in Japan and Europe, underscoring the global nature of Toyota's production capabilities. While NAPCK uses custom-



>Main Entrance



>Plenty of Room

Some facts and figures about Toyota's newest parts center:

- The 86-acre Hebron, Kentucky site was selected in December 1998. It was chosen for several reasons, including its proximity to Toyota manufacturing facilities, suppliers and its access to Cincinnati/Northern Kentucky International Airport.
- Groundbreaking took place in spring 1999.
- Construction was substantially complete in June 2000 allowing it to start receiving parts.
- The site was dedicated in September 2001 after becoming fully operational.
- The facility cost \$65 million to build.
- At 843,000 square feet, it is Toyota's largest parts distribution facility under a single roof.
- The floor space is equivalent to about 28 large supermarkets, providing enough room to park 22 Boeing 747s or 8,700 Camrys.
- The site stores 25,000 part numbers.
- More than three million pieces are in stock at the site—an inventory worth \$45 million.
- 4,000 line items are received daily.
- The site employs 340.

designed racks, workstations, carts and platforms, it does not rely on extensive high-tech equipment or robots to move parts. Instead, the main resource to ensure the site's accuracy and efficiency is a workforce of 340. Associates at the plant were selected from more than 13,000 applicants. In addition to being a key supply point for the national network of Toyota and Lexus dealerships, the new parts cen-

ter underscores Toyota's commitment to the U.S. market. Domestically built vehicles account for 63 percent of Toyota sales in North America and North American-built parts generate about \$1.2 billion in annual sales. The next time your dealership receives a shipment of parts, there is an excellent chance that they passed through Hebron, Kentucky on their way to you. 